



# CAPITALAND MALAYSIA MALL TRUST

3Q 2020 Results Presentation

28 October 2020

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# 3Q 2020 Overview



# 3Q 2020 Updates

## 3Q 2020 Results

- Net Property Income: RM40.8 mil (▼ 17.2% YoY)
- Distribution Per Unit: 1.13 sen (▼ 25.2% YoY)
- Shopper Traffic: 9.5 mil (▼ 32.5% YoY)
- As at 30 September 2020:
  - Rental Reversion: -10.7%
  - Portfolio Occupancy: 86.4%

## Proactive Portfolio and Asset Management

### Asset Enhancement Initiative

- Completion of Gurney Plaza contemporary food hall and opened officially on 15 October 2020

### Refreshing Tenant Mix

- New to region affordable luxury fashion brands and a Japanese pastry café introduced at Gurney Plaza

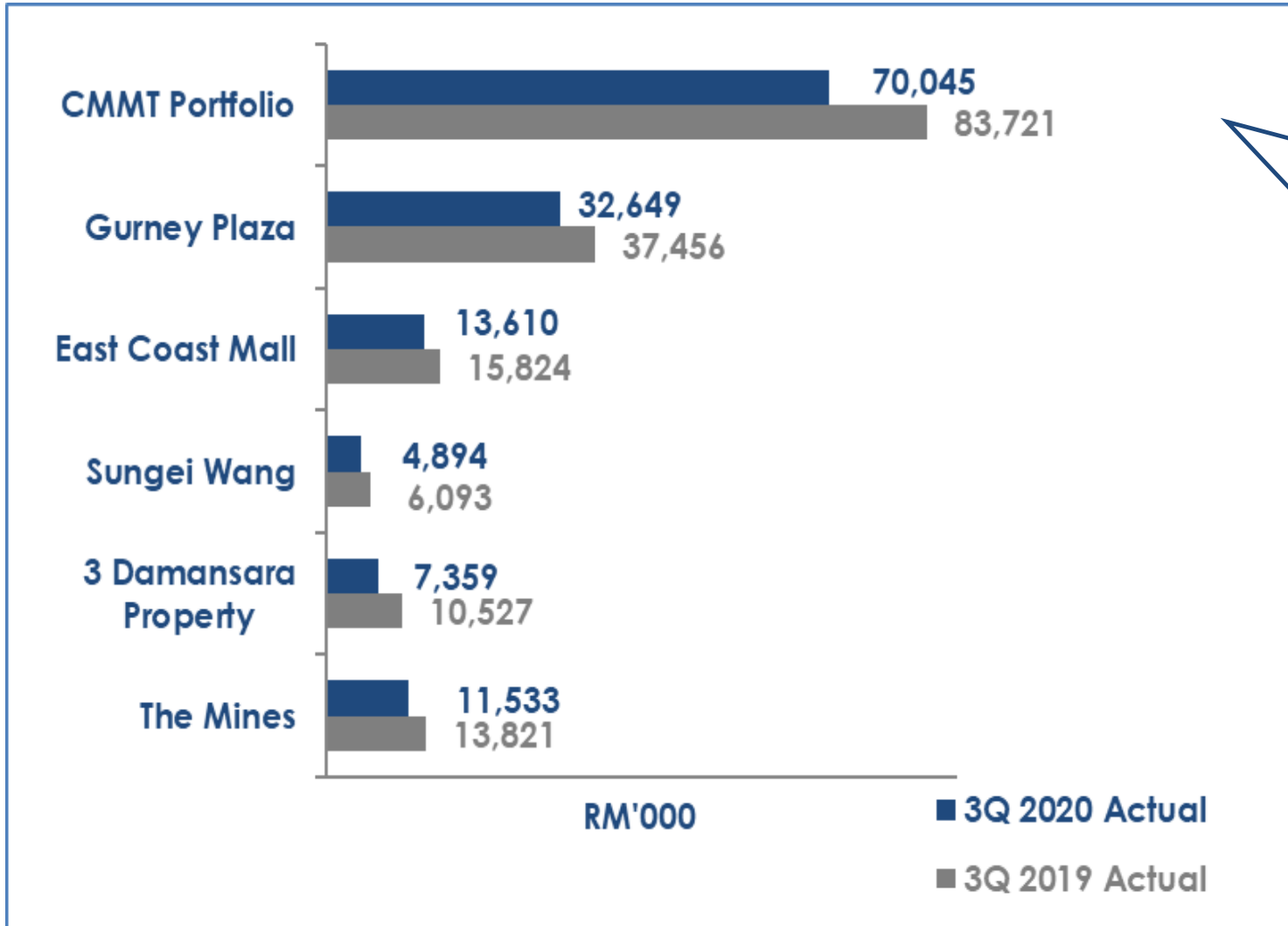
# Financial Results

# Distribution Statement

RM'000	3Q 2020 Actual (Unaudited)	3Q 2019 Actual (Unaudited)	Change %	YTD 2020 Actual (Unaudited)	YTD 2019 Actual (Unaudited)	Change %
Gross revenue	70,045	83,721	(16.3)	194,458	256,474	(24.2)
Less: Property operating expenses	(29,295)	(34,525)	(15.1)	(94,987)	(104,198)	(8.8)
<b>Net property income</b>	<b>40,750</b>	<b>49,196</b>	<b>(17.2)</b>	<b>99,471</b>	<b>152,276</b>	<b>(34.7)</b>
Interest income	252	661	(61.9)	1,238	2,318	(46.6)
Other non-operating income	4,958	-	-	4,958	-	-
Fair value loss of investment properties (net)	-	-	-	-	(30,042)	(100.0)
<b>Net investment income</b>	<b>45,960</b>	<b>49,857</b>	<b>(7.8)</b>	<b>105,667</b>	<b>124,552</b>	<b>(15.2)</b>
Manager's management fee	(4,965)	(5,346)	(7.1)	(13,712)	(16,205)	(15.4)
Trust and other expenses	(485)	(486)	(0.1)	(1,553)	(1,533)	1.3
Finance costs	(14,284)	(15,616)	(8.5)	(44,714)	(46,326)	(3.5)
<b>Profit before taxation</b>	<b>26,226</b>	<b>28,409</b>	<b>(7.7)</b>	<b>45,688</b>	<b>60,488</b>	<b>(24.5)</b>
Taxation	-	-	-	-	-	-
Deferred taxation	-	-	-	-	(9,752)	(100.0)
<b>Profit for the period</b>	<b>26,226</b>	<b>28,409</b>	<b>(7.7)</b>	<b>45,688</b>	<b>50,736</b>	<b>(10.0)</b>
Distribution adjustments	(3,057)	2,425	(>100.0)	(1,672)	46,110	(>100.0)
Income available for distribution	23,169	30,834	(24.9)	44,016	96,846	(54.6)
<b>Distributable income<sup>1</sup></b>	<b>23,226</b>	<b>30,982</b>	<b>(25.0)</b>	<b>43,985</b>	<b>96,804</b>	<b>(54.6)</b>
<b>DPU (sen)</b>	<b>1.13</b>	<b>1.51</b>	<b>(25.2)</b>	<b>2.14</b>	<b>4.73</b>	<b>(54.8)</b>

1. The difference between distributable income and income available for distribution is due to rounding effect of DPU.

# 3Q 2020 Gross Revenue



**Mainly due to:**

- targeted rental waivers and rebates extended to non-essential services tenants during Recovery Movement Control Order;
- lower car park and marcom income;
- lower recovery of utilities; and
- lower occupancies amidst the uncertainties arising from the pandemic and economic recovery post various phases of Movement Control Orders.

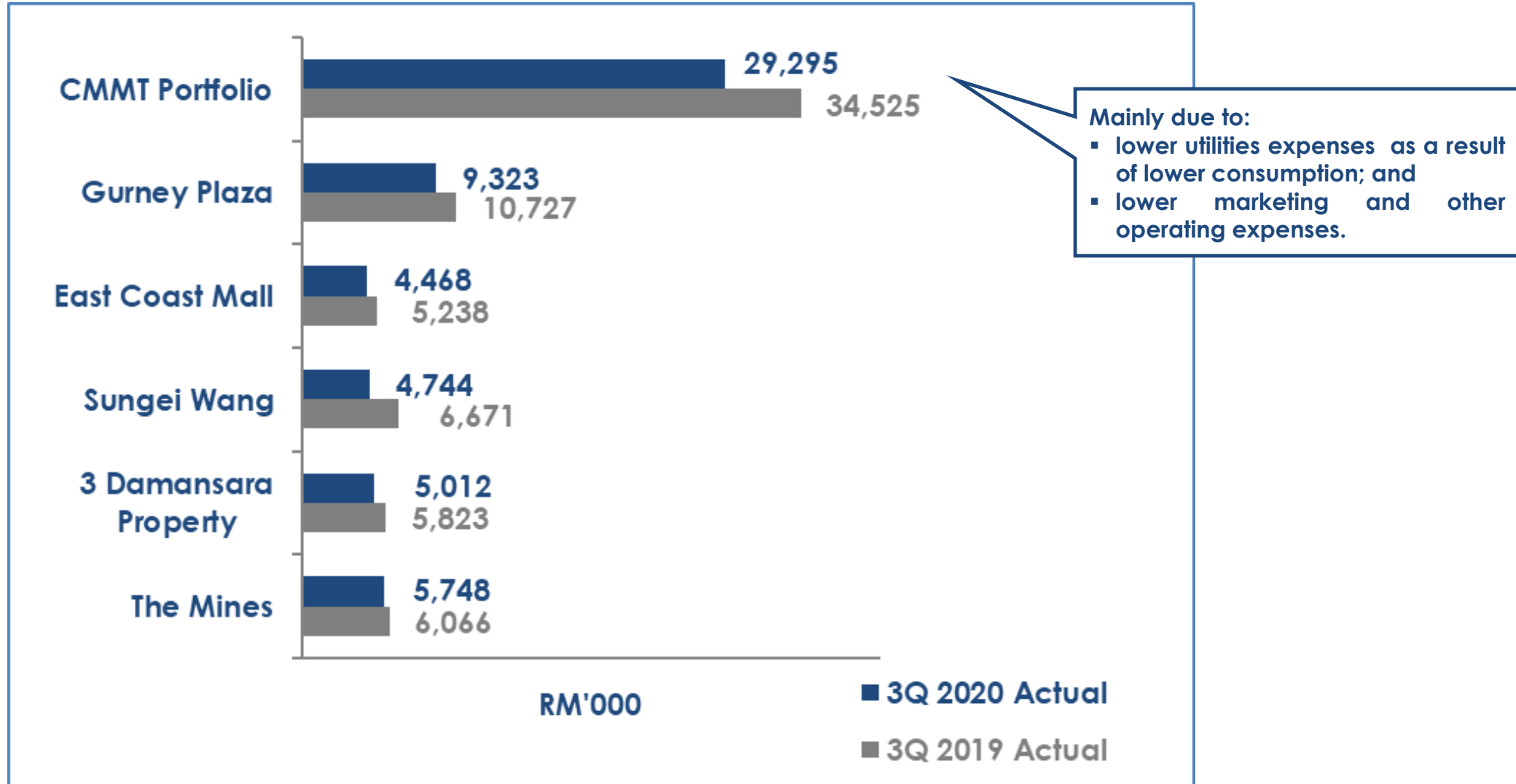
**Partially mitigated by:**

- revenue contribution from JUMPA which opened in 4Q 2019.

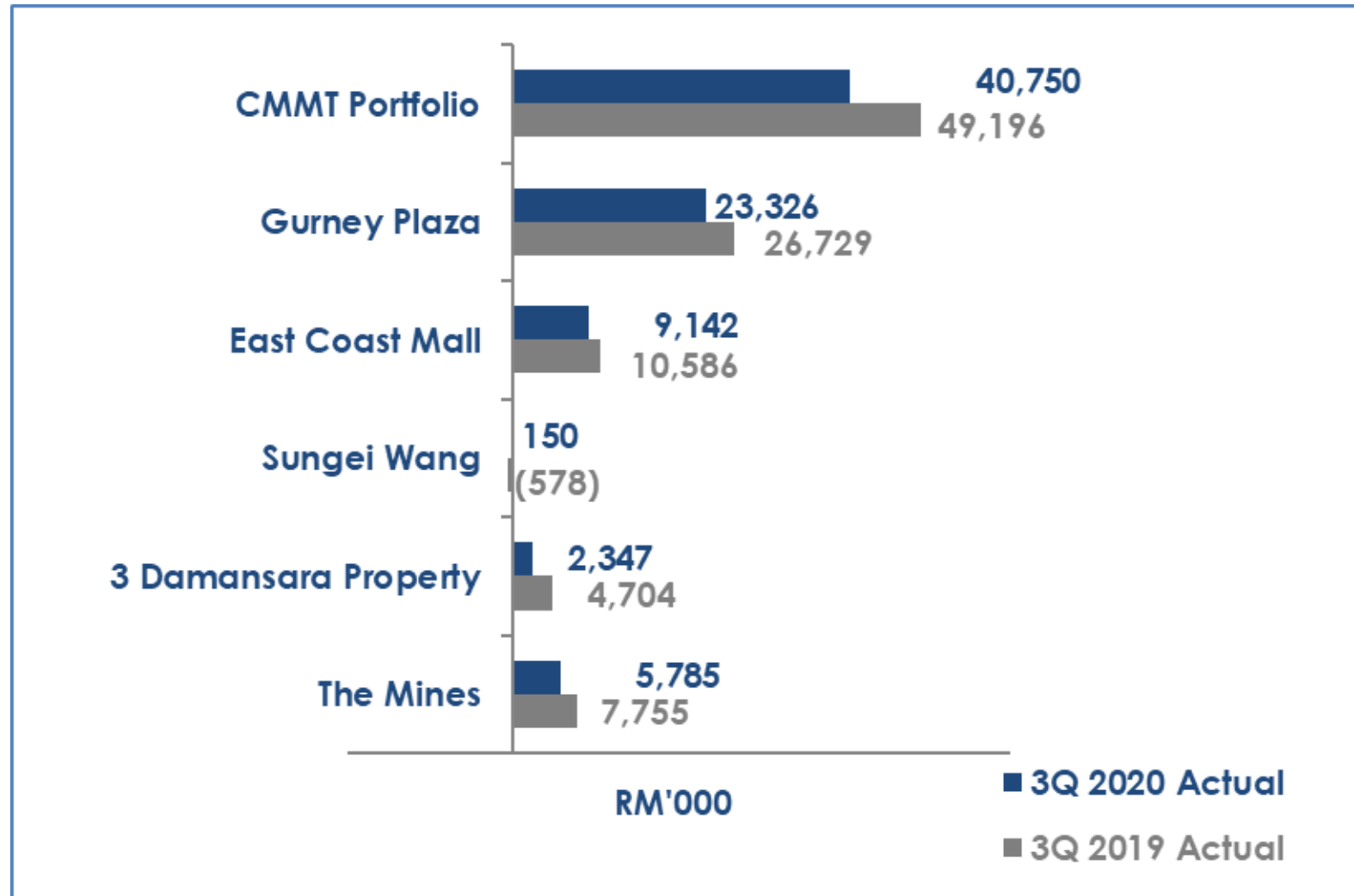
Note: 3 Damansara and Tropicana City Office Tower are collectively known as 3 Damansara Property.



# 3Q 2020 Property Operating Expenses

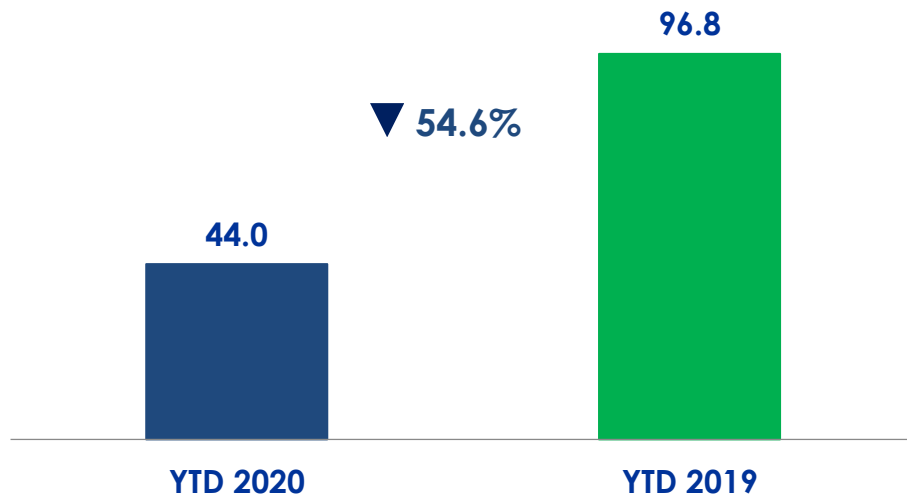
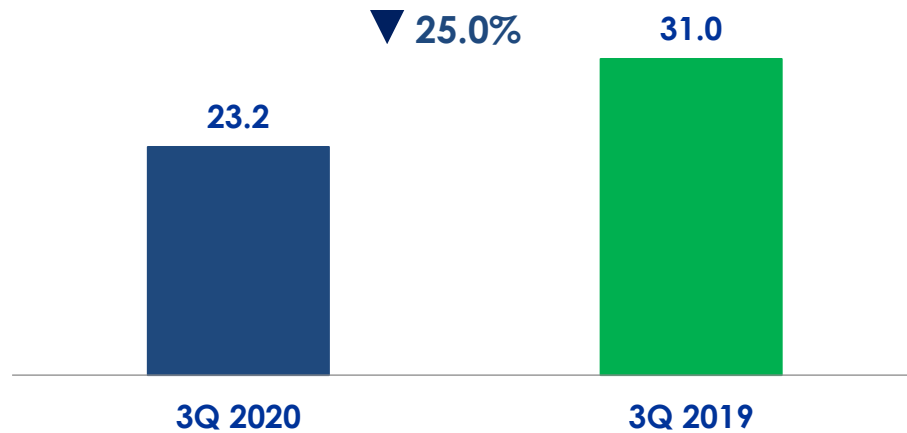


# 3Q 2020 Net Property Income

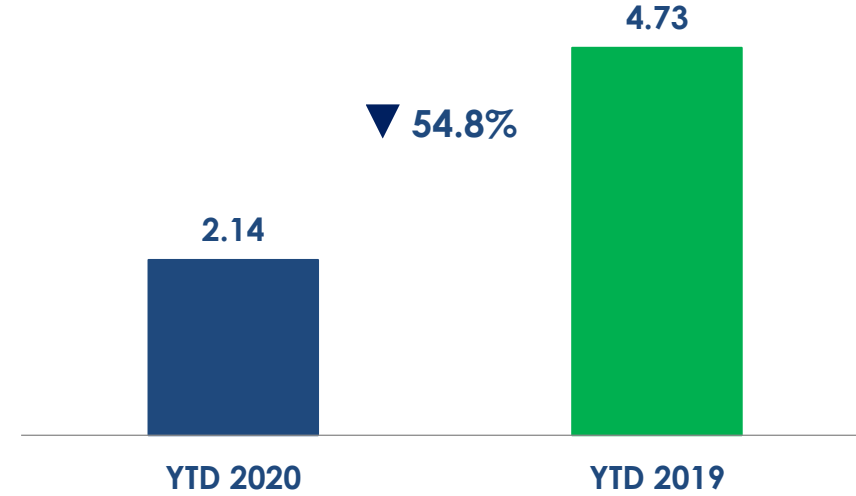
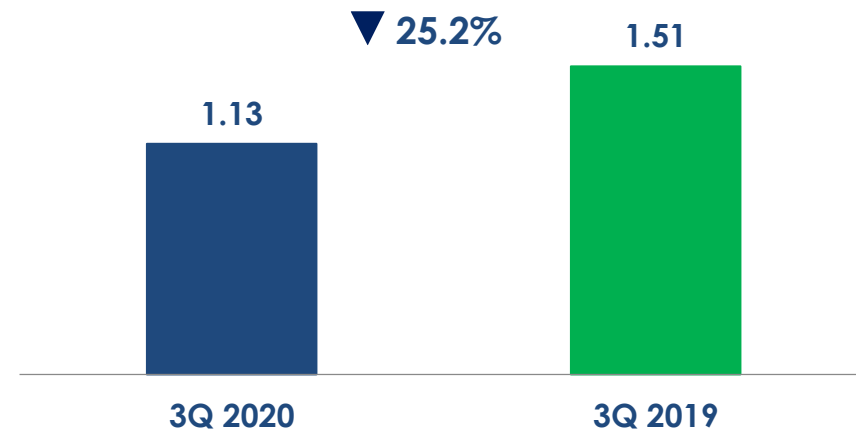


# Distributable Income and DPU

## Distributable Income (RM'mil)

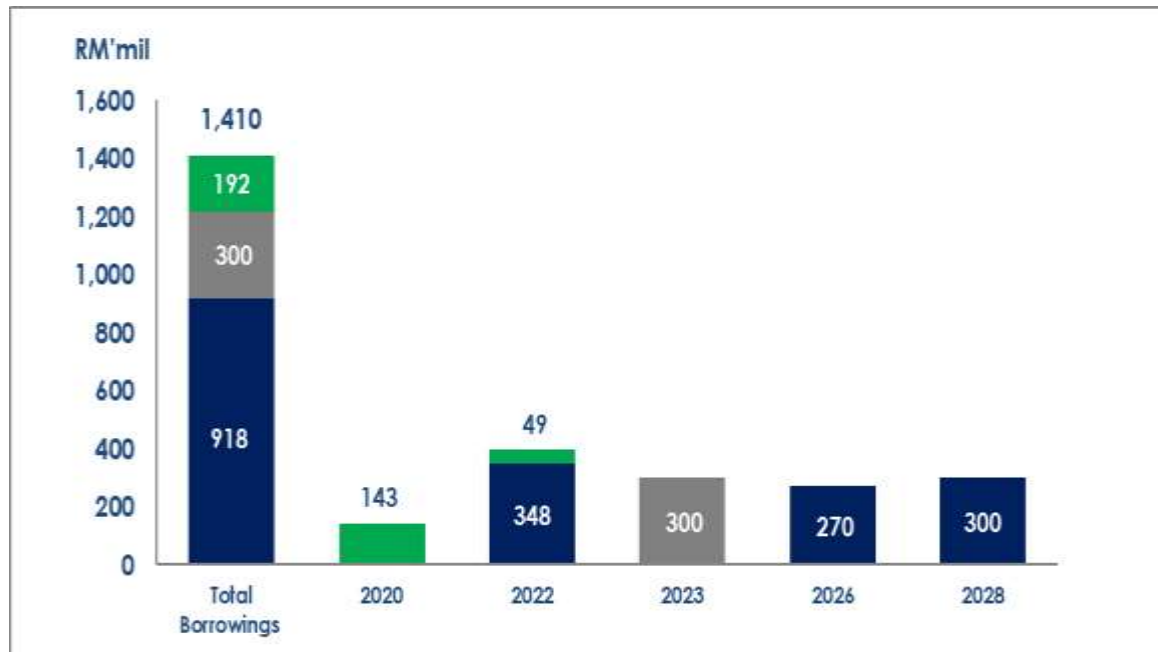


## Distribution Per Unit (sen)



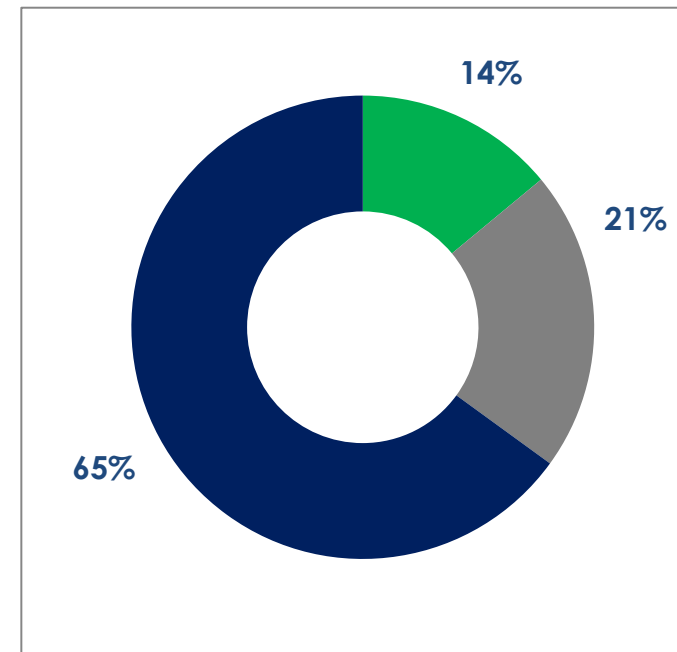
# Debt Profile

## Well-spread Debt Maturity Profile



- Term Loan Facilities
- Unrated Medium Term Notes
- Revolving Credit Facilities

## Diversified Sources of Funding



# Key Financial Indicators

	3Q 2020	2Q 2020
Unencumbered assets as % of total assets	28.6%	28.7%
Gearing ratio	33.9%	34.2%
Average cost of debt	4.21%	4.30%
Fixed:Floating rate debt ratio	81%:19%	81%:19%
Net debt / EBITDA (times)	11.7	14.2
Interest coverage (times)	2.1	1.7
Average term to maturity (years)	3.7	3.9

# Balance Sheet

As at 30 September 2020	RM'mil
Non-current Assets	4,050
Current Assets	108
<b>Total Assets</b>	<b>4,158</b>
Current Liabilities	252
Non-current Liabilities	1,317
<b>Total Liabilities</b>	<b>1,569</b>
<b>Net Assets</b>	<b>2,589</b>
<b>Total Unitholders' Funds</b>	<b>2,589</b>
<b>Number of Units in Circulation (in million units)</b>	<b>2,055</b>

<b>NAV (RM'mil)</b>	
- before income distribution	2,589
<b>- after income distribution</b>	<b>2,545</b>
<b>NAV per unit (RM)</b>	
- before income distribution	1.2597
<b>- after income distribution</b>	<b>1.2383</b>

# Portfolio Updates



# Rental Reversion

From 1 January 2020 to 30 September 2020 <sup>1</sup>	No. of new leases/renewals	Var. over preceding rental <sup>2, 3, 4</sup> (%)
Gurney Plaza	73	-6.2
East Coast Mall	33	-1.5
Sungei Wang	18	-26.0
3 Damansara	14	+1.4
The Mines	51	-33.8
<b>CMMT Portfolio (Retail)</b>	<b>189</b>	<b>-10.7</b>
Tropicana City Office Tower	-	-
<b>CMMT Portfolio (Retail + Office)</b>	<b>189</b>	<b>-10.7</b>

1. Excluding newly created and reconfigured units.
2. Excluding gross turnover rent component.
3. Majority of leases have rental escalation clause.
4. The % is computed based on the increase in the 1<sup>st</sup> year rental of the renewed term over last year rental of the preceding term.



# Portfolio Lease Expiry (By Year)

As at 30 September 2020	CMMT (Retail)		
	No of Leases <sup>1</sup>	Gross Rental Income RM'000	% of Total Gross Rental Income <sup>2</sup>
2020	309	4,986	25.2%
2021	450	6,588	33.3%
2022	296	5,815	29.4%
Beyond 2022	102	2,404	12.1%

As at 30 September 2020	CMMT (Office)		
	No of Leases <sup>1</sup>	Gross Rental Income RM'000	% of Total Gross Rental Income <sup>3</sup>
2021	7	260	83.4%
2022	1	52	16.6%

1. Based on all committed leases as at 30 September 2020.
2. Based on committed gross rental income for CMMT (Retail) as at 30 September 2020.
3. Based on committed gross rental income for CMMT (Office) as at 30 September 2020.

# Portfolio Lease Expiry Profile for 2020

As at 30 September 2020	No. of Leases <sup>1</sup>	% of Net Lettable Area <sup>1</sup>	% of Goss Rental Income <sup>1</sup>
Gurney Plaza	74	7.9%	10.1%
East Coast Mall	60	5.3%	6.3%
Sungei Wang	55	3.2%	1.9%
3 Damansara	60	7.9%	3.1%
The Mines	60	4.1%	3.5%
<b>CMMT (Retail)</b>	<b>309</b>	<b>28.4%</b>	<b>24.9%</b>
Tropicana City Office Tower	-	-	-
<b>CMMT Portfolio (Retail &amp; Office)</b>	<b>309</b>	<b>28.4%</b>	<b>24.9%</b>

1. Based on committed leases for CMMT Portfolio(Retail + Office) as at 30 September 2020.

# Occupancy Rate

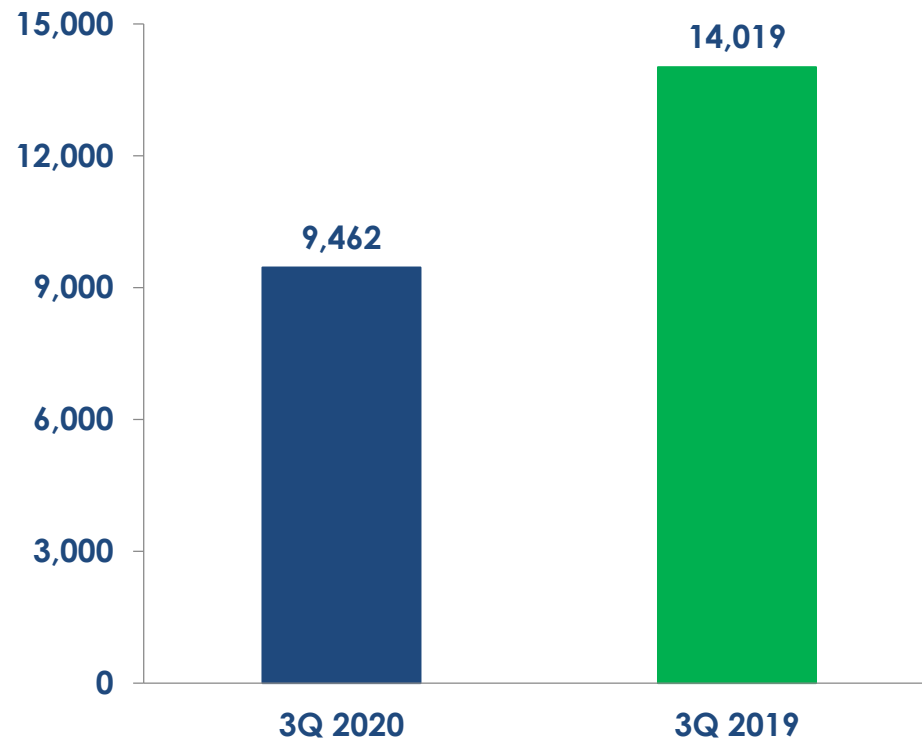
	3Q 2020 30 September 20 <sup>1</sup>	2Q 2020 30 June 20 <sup>1</sup>
Gurney Plaza	98.1%	97.6%
East Coast Mall	95.7%	94.9%
Sungei Wang	66.2%	71.5%
3 Damansara <sup>2</sup>	80.2%	85.8%
The Mines	85.8%	82.4%
<b>CMMT (Retail)</b>	<b>87.4%</b>	<b>87.9%</b>
Tropicana City Office Tower <sup>2</sup>	57.4%	100.0%
<b>CMMT Portfolio (Retail &amp; Office)</b>	<b>86.4%</b>	<b>88.3%</b>

1. Based on committed leases.

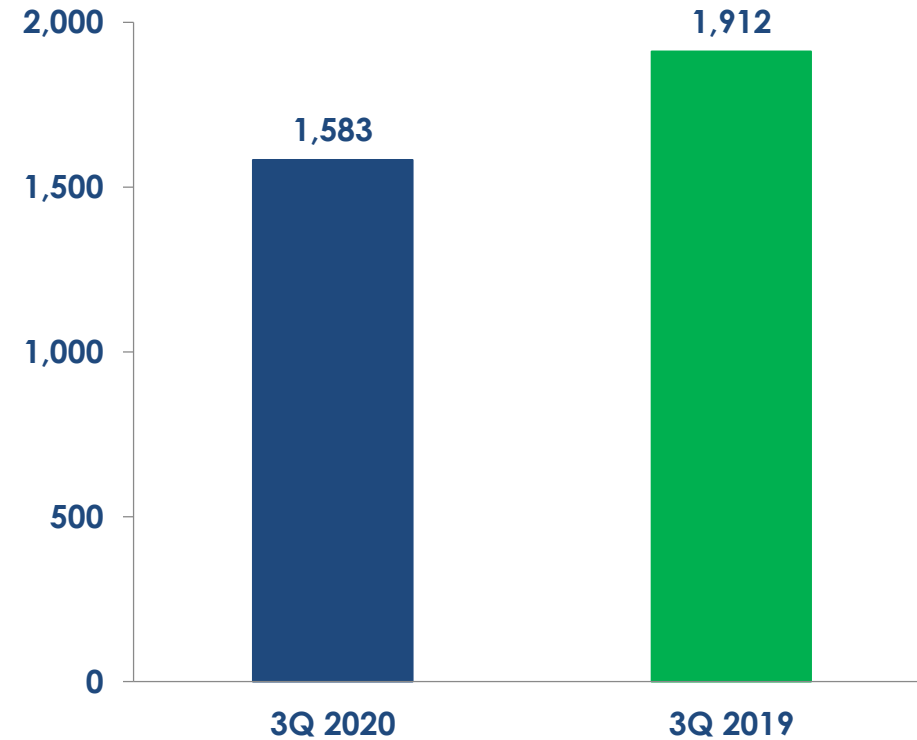
2. The occupancy of 3 Damansara Property is 76.1% as at 30 September 2020.

# Shopper and Vehicular Traffic

**Shopper Traffic**  
**32.5% lower than 3Q 2019**



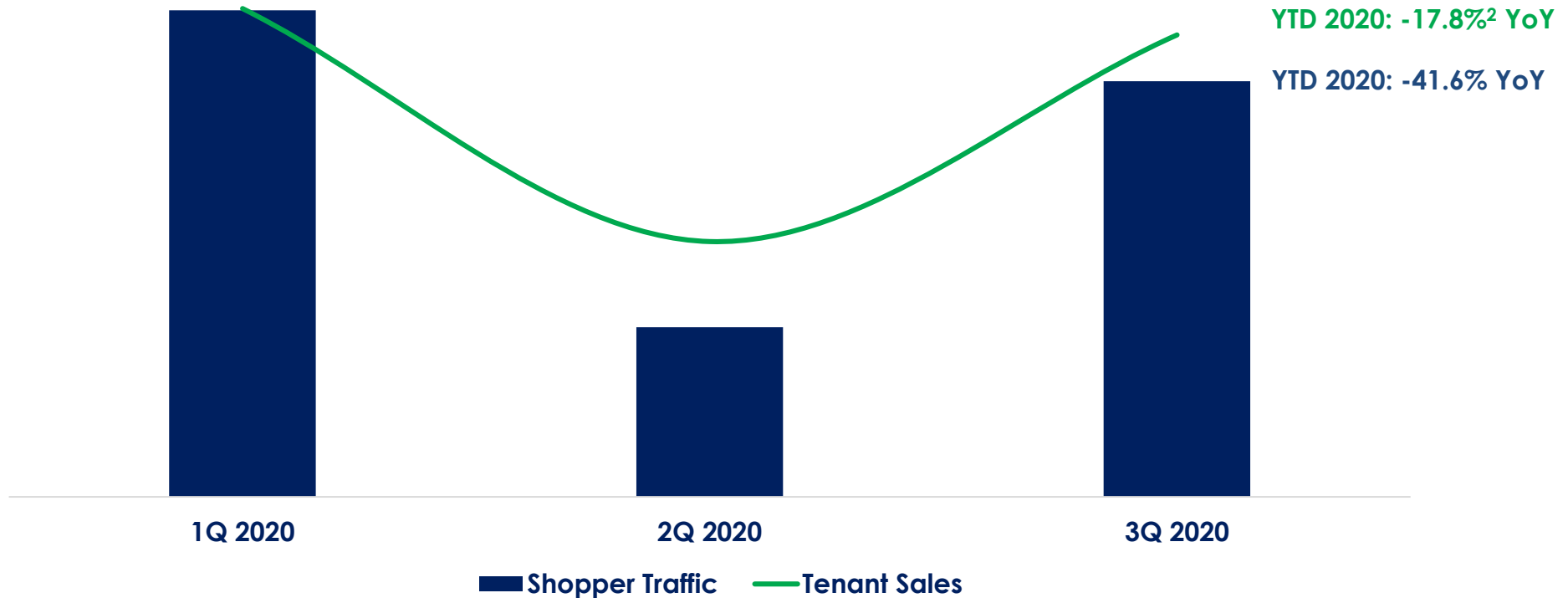
**Vehicular Traffic**  
**17.2% lower than 3Q 2019**



# Post-MCO recovery

Shopper traffic recovered to 58% while tenant sales psf recovered to 82%

## YTD Sep 2020 Performance



1. Shopper traffic and tenant sales were impacted by the MCO (18 March to 3 May), CMCO (4 May to 9 June) and RMCO (from 10 June) implemented by the Government to curb the spread of COVID-19.
2. Change in tenant sales per square foot.

# Gurney Food Hall





# Gurney Food Hall

Gurney Food Hall is an upscale contemporary food hall located on Level 4 and features a modern and cosy interior design. The food hall showcases an intricate concept comprising a variety of details based on local elements with each zone – The Pier, The Port, The Palm and The Patio, representing landmarks in Penang. With a seating capacity of 600, shoppers will be spoilt for choice ranging from local street food to international cuisine when dining in this food haven.



The Pier



The Port



The Palm



The Patio





# Gurney Food Hall Official Launch



Launched officially on 15 October, there were various performances and games held to commemorate the occasion. Among the local favourites include The Roasted C., Penang Hong Zhai, Uncle King Pan Mee and Triple Star Hainanese Chicken Rice while the international flavours found here are Hana Ramen, Mr Shawerma, Chennai Express, Thailander and Sailor Gourmet.





# New Retail Offerings



**GURNEY PLAZA:** More affordable luxury fashion brands such as Tommy Hilfiger and Calvin Klein Performance; and the first Japanese patisserie-cum-café – Châteraisé were introduced to the Northern Region



**GURNEY PLAZA:** Yomie's Rice X Yogurt



**EAST COAST MALL:** Maison Berger Paris



**EAST COAST MALL:** Saronghae Rice Stick Sosiji

# Shopper Engagement

Leveraging CapitaStar with attractive marketing campaigns and promotional tie-ups to attract shopper footfall and encourage spending

**CASH BACK NOW**  
24 July - 06 Sept 2020  
**RM350,000** worth of CashBack up for grabs!  
Spend minimum RM50 in a single receipt at participating malls & your CashBack STARVouchers will be awarded automatically!

**HOW TO REDEEM YOUR CASHBACK**

- Step 1** Spend minimum RM50 in a single receipt.
- Step 2** Submit your receipt via the CapitaStar mobile app. You will also receive a 'High up' badge by checking the app!
- Step 3** CashBack STARVouchers are automatically added under the voucher tab.
- Step 4** Use your STARVouchers at over 200 participating malls across participating malls!

**Portfolio-wide month-long cashback campaign**

#studylifebalance  
**STUDENT plus+**  
Awesome rewards and privileges exclusively for students aged 18 - 24

**EAT SHOP CHILL**

Register now and get a special gift!

- DOWNLOAD** CapitaStar Mobile App
- ENTER** Promo Code: **STUDENTPLUS**
- UPLOAD** Purchase Receipt at Gateway Place
- EARN** Sign Up Kit

CapitaLand Malaysia Mall Trust  
Level 4, Centre Management Office, The Mines  
Jalan Damansara, Mines@Petra City, 62000 Petaling Jaya, Selangor  
Tel: 954-222 8222, 222 8111 | Fax: 954-229 9898  
Website: www.capitaland.com.my | Open Daily 10am - 10pm

**The mines maxis delicious eats**  
BUY 1 FREE 1 MEAL at selected F&B outlets!

Check out the deals in Maxis/ Hotlink mobile app now!

Participating F&B outlets: SUNWAY, SUSHI KING, Nando's, Sepiring, Dulu Ya, 有間茶館, MAMA KOREAN, The Mines

CapitaLand Malaysia Mall Trust  
Level 4, Centre Management Office, The Mines  
Jalan Damansara, Mines@Petra City, 62000 Petaling Jaya, Selangor  
Tel: 954-222 8222, 222 8111 | Fax: 954-229 9898  
Website: www.the-mines.com.my | Open Daily 10am - 10pm

**Sama-sama Merdeka**  
SHOP & REDEEM!  
11 AUG - 6 SEP 2020  
LIMITED EDITION MERDEKA MUG  
\*While stocks last

**SHOPPERS**  
Spend RM100 (max 2 receipts) in a day  
Download CapitaStar app & scan receipt  
Redeem your Limited Edition Merdeka mug at the Information Counter

**CAPITASTAR CAPTASTAR MEMBERS**  
Redeem with 600 Stars

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# COVID-19 Developments



# Prioritising safety and well-being

Rolling out enhanced safety measures through innovative technology solutions



All the properties' high contact areas have been coated with the anti-microbial disinfectant which is child-friendly and can guard against bacteria and virus. All lift cars are installed with PhotoPlasma air disinfection system that is designed to energise atmospheric air into a plasma state, in turn eliminating air-borne and surface microorganisms such as virus and bacteria.

# Cautious outlook in the near term

## Retail Environment

- Retail headwinds given the current macroeconomic uncertainties arising from COVID-19
- Despite the gradual return in shopper footfall seen post-MCO, the recent increase in COVID-19 cases as well as reintroduction of CMCO in several areas including Klang Valley, is expected to affect the traffic recovery of the retail sector
- Pressure on rental reversion and occupancy due to cautious retailer sentiment

## Proactive Portfolio and Asset Management

- Renewed over 50% of the leases due this year and are in advanced negotiations for the remaining major expiring leases
- Completion of Gurney Plaza's asset enhancement initiative expected to contribute positively to CMMT's performance from 4Q 2020
- Monitor the situation closely and remain committed to ride out the challenging period with tenants

## Prudent Capital Management

- Refinanced a fixed rate term loan at a lower rate that will provide annual interest savings
- Cash conservation through the completed 1H 2020 Distribution Reinvestment Plan
- A healthy and adequate financial position to meet financial and operational obligations with no near-term refinancing requirements until 2022



# Thank you

For enquiries, please contact: Ms Jasmine Loo (Investor Relations)

Email: [jasmine.loo@capitaland.com](mailto:jasmine.loo@capitaland.com)

CapitaLand Malaysia Mall REIT Management Sdn. Bhd. (<http://www.cmmt.com.my>)

Unit No. 1-27, Level 27, Capital Tower, No. 10 Persiaran KLCC, 50088 Kuala Lumpur

Tel: +603 2279 9888; Fax: +603 2279 9889

